# ESSAY

ON

# Impost Duties.

TRANSLATED FROM THE FRENCH

BY THE

## COUNT CHAPTAL,

Formerly Minister of the Interior, Member of the Royal Academy of Sciences of the Institute, Grand Officer of the Legion of Honour, Chevalier of the Royal Order of St. Michel, &c. &c.

"*Though it were true, that the immediate and certain effect of regulations controlling the competition of foreign with domestic fabrics, was an increase of price, it is universally true, that* THE CONTRARY IS THE ULTIMATE EFFECT WITH EVERY SUCCESSFUL MANUFACTURE. *When a domestic manufacture has attained to perfection, and has engaged in the prosecution of it a competent number of persons,* IT INVARIABLY BECOMES CHEAPER. *Being free from the heavy charges which attend the importation of foreign commodities, it can be afforded, and accordingly seldom or never fails to be sold cheaper, in process of time, than was the foreign article for which it is a substitute. The internal competition which takes place, soon does away every thing like monopoly; and by degrees* REDUCES THE PRICE OF THE ARTICLE TO THE MINIMUM OF A REASONABLE PROFIT ON THE CAPITAL EMPLOYED. *This accords with the reason of the thing, and with experience.*"—A. HAMILTON.

"If cotton mills bring much greater than common profit, so many people will have cotton mills, that *in a year or two* THE PROFITS WILL DECREASE TO THE COMMON LEVEL."—JUDGE COOPER.

"C'est à tort qu'on croiroit aujourd'hui, que, depuis la suppression des corporations, il soit possible d'établir un monopole sur un objet de fabrication: la carriere est ouverte a tout le monde; et lorsqu'une branche d'industrie prospere, les concurrens deviennent si nombreux, EN PEU DE TEMPS, QUE LE PRIX DES PRODUITS EST BIENTOT RAMENE A CE QU'IL DOIT ETRE."

CHAPTAL.

"It belongs only to the real statesman to elevate his views in the imposition of taxes, above the mere object of finances, and to transform them into useful regulations."—ROUSSEAU.

"Une bonne législation de douanes est *la vraie sauvegarde de l'industrie agricole et manufacturière*; elle élève ou diminue ses droits aux frontières, selon les circonstances et les besoins; elle *compense* le desavantage que notre fabrication peut trouver dans le prix comparé de la main d'œuvre ou du combustible. *Elle protége les arts naissans par les prohibitions, pour ne les livrer à la concurrence avec les étrangers, que lorsqu'ils ont pu réunir tous les degrés de perfection.*"

CHAPTAL.

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# ESSAY

ON

# IMPOST DUTIES.

Of all the problems that present themselves to the mind of a statesman, that of a sound tariff is the most difficult to solve. Such a tariff imposes the duty of reconciling hostile interests—and as that is impossible, whatever arrangement may be made, one class of citizens will suffer, while another is favoured. Thus the legislator has to balance the censure he receives from one party against the approbation of another.

The agriculturist is desirous that all the fruits of the earth, as well the necessaries of life, as raw materials for manufactures, should be prohibited or burdened with duties. The manufacturer requires that raw materials be admitted free of duty, and that all manufactured articles be excluded. The merchant, whose interest is to exchange every thing, [dont l'intérêt est de tout déplacer,] wishes, that whatever is necessary for commerce, be allowed to be exported and imported, without molestation or impost. The consumer, whose object is to subsist himself on the best terms, requires to have the exportation prohibited of every production of the soil or industry, and that all analogous objects from foreign countries be freely admitted. And the government, which regards the proceeds of the duties among its resources, is obliged to support the tariff in order to provide the treasury with the necessary revenues.

It is in the midst of these clashing interests and views, that the legislator is obliged to proceed. But as it is impossible to conciliate the whole, he must seek other grounds to proceed upon.

From what has been stated, the partizans of unlimited free dom of commerce will not fail to conclude, that impost duties ought to be suppressed. In this opinion I am very far from coinciding. In order to refute it, we require only to reflect on the result of this suppression.

If we had no duties, we should soon behold the ruin of those numerous establishments where iron is manufactured to the amount of forty millions [annually]; as this manufacture struggles with difficulty against those of the north of Europe, notwithstanding the enormous duties to which the productions of the latter are subject. We should behold those work-shops closed, of spinners, of weavers, and of cotton-printers, which, created in our day, have not acquired sufficient strength nor capital to struggle with those of foreign nations. We should see disappear those precious manufactures of ironmongery, which have been established under the guarantee of the duties upon and prohibitions against foreign rival productions; and we should reduce to misery those millions of active and industrious inhabitants, whose existence depends on those new kinds of industry, and at the same time annihilate an enormous amount of capital invested in machinery and buildings, which would cease to be productive by the cessation of the labours of industry.

It will doubtless be replied, that this part of the industrious population will be restored to agriculture. But can there be pointed out a single spot on the surface of France, where labourers are deficient for agriculture? Do we not behold, every year, many of our provinces, surcharged with population, discharge the excess into other countries? Moreover, *can we allow ourselves to believe, that men born in cities, and brought up in work-shops, are calculated for agricultural labour?*

Agriculture is an employment which, like all others, requires an apprenticeship and practice; and also a degree of strength and other qualifications, which will be sought for in vain, in workmen grown old in manufactories. That part of the population which derives its support from labour, is naturally divided betweeu the fields and the work-shops, in proportion to what

they respectively require. To change the order, is to destroy the equilibrium, and to produce misery and all its excesses.

It will be added, that the consumers, who comprise the whole nation, would derive benefit from the unrestrained importation of the productions of industry, which foreigners could furnish at a cheaper rate. But I demand, *how shall we pay foreigners for more than a thousand millions worth* [*of livres,*] *of productions of this kind with which our manufactories furnish us at present?* With the produce of our soil? The measure of foreign consumption has been long fixed; and does not reach to one hundred millions beyond our wants. It will be said, that the foreign consumption would increase. I cannot coincide in this opinion. But if it augments, the part reserved for the supply of the nation would rise in price. The native consumer would therefore lose what he expected to gain; and the nation would sacrifice the advantages of the manual labour, which are so considerable in the productions for which the raw materials derived from the soil are employed. Or, should we pay the excess of our importations over our exportation by our specie? Where are our mines? especially since the revolution in South America has deprived us of fifty millions annually, which we derived from our commerce with Spain? Should we pay with our fine drapery and our Lyons silks, which are the principal productions of industry that we can export to advantage? But even were we to double our present exportation of those articles, which is by no means probable, we should not export one hundred and fifty millions. France could not, therefore, pay for one half of what she at present consumes of the productions of her manufactures—and she would deprive herself of wealth, the result of the labour of her artisans and manufacturers, to the amount of six or seven hundred millions.

Let us not, therefore, lose ourselves in the labyrinth of metaphysical abstractions. Let us preserve and study to improve what is already established.

*A sound legislation on impost duties, is the true safeguard of agricultural and manufacturing industry. It raises or reduces the tariff, according to circumstances and necessity*

It compensates the disadvantages which our manufacturers might suffer in the comparative price of the workmanship or fuel. *It protects the infant arts and manufactures, and shields them from the rivalship of foreigners, until they have arrived at a due degree of perfection.* It tends to establish the independence of the industry of France: and *enriches the nation by an increase of useful labour, which, as I have repeatedly stated, is the principal source of public wealth.*

This legislation embraces all the interests of a nation. But as it cannot promote them all in an equal degree, it ought, in a more especial manner, to give a preference to those which require its assistance.

In this species of hierarchy of wants [d'hiérarchie des besoins,] manufacturing industry occupies the first rank. Like the agriculturist and the merchant, the manufacturer invests capital in his enterprises. But this capital is sunk in the purchase of a contingent annuity, and is productive only when his manufacture prospers. *An unwise tariff destroys it entirely in his hands: as for the most part, it consists only in machinery and buildings.* Independent of the loss he incurs, this would be a real loss to the French nation, because *it would diminish the productions and labour of the country.* The agriculturist and the merchant may be disappointed in their operations; but their capitals remain. They may change their destination; while all is lost to the manufacturer. Like the agriculturist and the merchant, the manufacturer employs labourers; but the workmanship necessary for his operations is more extensive than for that of either of the others. We see in many work-shops, five hundred workmen employed to produce articles to the amount of one million in value; while some operations of commerce produce the same sum by the aid of a few clerks. The merchant adds no value to the merchandise which he transports. But the manufacturer creates almost all the value which the raw materials acquire in his hands. All merit undoubtedly the protection of the government—but all have not the same necessity for it—because their interests do not depend in the same degree on the legislation of impost duties.

To legislate, therefore, correctly on the subject of the tariff, it is necessary to be well acquainted with the state of our manufactures, and to compare it with that of the foreign ones; and also with the difference in the prices of workmanship, fuel, and raw materials; and then to regulate the duties according to these data, in order to render the competition at least equal.

There are persons who regard the tariff only with respect to their own interest, and who decide as if that interest alone was to be consulted. There are others who advocate the maxim, which is generally adopted, that the importation of raw materials ought to be fully allowed without duty. A third class assert, that duties on foreign productions ought never to exceed fifteen per cent. ad valorem.

Let us analyse these three opinions.

I. We have already observed, that the agriculturist, the manufacturer, the merchant, and the consumer, have adverse interests, which the legislation of duties cannot reconcile. In this conflict of demands and of opposing pretensions, what is the duty of the legislator? To calculate the benefit and injury arising to each, and to adopt the system productive of the greatest good to the country.

The interest of the agriculturist would be to have the importation of wool, of hemp, and of flax, prohibited. But the productions of our soil of those descriptions do not afford all the qualities desirable for the various species of articles for which they are employed. And moreover, I ask, are there any of those articles unsold on the hands of our farmers? Has their culture diminished or fallen away? Were that the case, there is no doubt that duties ought to be levied on the importation of rival articles for the purpose of reviving this important culture.

But even in that case, we ought to free from duty those kinds which we do not produce, or which we produce in too small quantities, such as the merino and long fleeces, in order not to extinguish the industry employed on them.

The manufacturer solicits the free introduction of raw materials, and the prohibition of manufactured articles. If his views prevailed, the iron of Sweden, and Russia, and England, alone

would be used in our work-shops; and France would lose a species of industry which gives support to 100,000 of her people —enhances the value of her forests—and employs an immense mass of machinery which would then cease to be productive. We already possess various establishments for the manufacture of metals, which have been but recently established, and which do not as yet furnish enough for our consumption. To prohibit, therefore, similar foreign productions, would materially injure the public. Legislation in this case ought to confine itself to impose moderate duties, to favour this rising industry, and to encourage it by premiums, in order to enable it to support the competition. This is the only means of reconciling the adverse interests. As the principal object of the imposition of duties is the protection of industry, a portion of the revenues arising from them should be employed for its encouragement.

There are no general principles on the subject of a tariff. Every thing depends on circumstances, on the comparative state of industry, and on the necessities of the consumer. A wise legislator ought to regulate his arrangements on a profound study of all these objects.

II. It is asserted in general terms, that raw materials ought to be admitted duty free, and this maxim is regarded as the basis of legislation on the tariff. Let us commence by a definition of the term. Are we to understand by "*raw material*" what has undergone no workmanship whatever? There is no article that falls within this description. Hemp, cotton, flax, metals, have undergone various operations, previous to their exportation. And cast-steel, which must be regarded as a raw material, as it becomes the subject of various manufactures, has undergone many more. Thus, from the wool and leather, which have received the labour of the workman, to the thread for laces, and the cast-steel, all ought to be ranged in the class of raw materials. The only difference that can be made between these substances, depends on the degree of workmanship they have undergone.

Whatever degree of labour has been employed on a raw material, it preserves that character so long as it requires to under-

go some other operation previous to its passing into the hands of the consumer. In wandering from this principle, we know not where to commence, nor where to terminate. I am not ignorant that the different degrees of labour bestowed on any substance ought to be duly weighed; because workmanship is wealth, which we ought to appropriate to ourselves. But when the new labour which is employed on the substance already wrought in a certain degree, imparts an enormous value in comparison of its cost, are there not sufficient reasons for introducing it into our work-shops, in preference to other materials less elaborated, and which, nevertheless, are scarcely susceptible of any more workmanship? Are not the thread for laces, the cast-steel, which is to be converted into trinkets, although they have already received much labour, more valuable, and do they not require more new labour, than Barbary wool, which has received scarcely any?

In departing from this principle, namely, that the legislation of duties can be established only on a perfect knowledge of the comparative state of our industry and that of foreigners, we cannot fail to go astray.

Let us suppose for a moment, that the partisans of the free entry of raw materials confine themselves to those which have received but a small portion of labour, and let us apply their principles in order to judge of them by their results.

Cotton yarn forms the raw material of our numerous fabries of laces and calicoes. If we admit this material of a single operation, behold the infallible results! *One hundred millions, at present productive, would be destroyed for the spinner, the manufacturer, and for France; as this capital consists in buildings, utensils, and machinery, appropriate to this sole purpose.* Two hundred thousand work-people would be deprived of employment. About 80 millions of labour would be lost to France; and commerce would be deprived of one of its principal resources, which consists in the transportation of the cottons of Asia and America into France.

Let it not be supposed that I deceive myself. I well know the comparative state of our manufactures of yarn and those of

the two neighbouring nations. On the one side, workmanship is cheaper—on the other. *large establishments, supported by great capitals—afford advantages against which we are unable to contend.* To this is to be added, that the cotton-spinning machines of England have been in operation for sixty years; that the expenses of the first establishment have been amply repaid: that the profits have created new capitals; but that those of France have been recently formed, and that *the interest of the first investment ought for a long time to be computed in considering the profits of the manufacture.*

*The English manufacturer, reimbursed for his past expenses, and enjoying the advantages of a large capital, may make great sacrifices to overwhelm rival establishments. The French manufacturer has nothing to oppose to him, unless shielded by the tariff.* To enable the industry of one nation to compete with that of another, it is not enough that the productions be of the same quality; it is necessary that the means of execution present on each side the same advantages.

Coals are certainly a raw material. Let them be admitted duty free, and we shall soon see closed those rich coal-pits of the north and the south of France, on which such immense sums have been expended, to penetrate to the veins, to draw off the water, and raise the coal by steam-engines. The reduced price at which the English can sell their coals in our ports, in consequence of their facilities in extracting them from their mines, and the proximity of those mines to the sea, afford them advantages which we cannot by any means countervail.

It will be replied, that such of our manufactures as are near the Atlantic will profit by the freedom of the trade in coals, and that they therefore can furnish their productions cheaper. This I freely admit. But is not the working of mines a species of industry? Are not the undertakers of it entitled to some regard and attention? Ought we to destroy the capitals they have invested in their machinery? All that the legislator ought to do, is to calculate the expense of freight of the coals of the two countries to the place of consumption, and impose such a duty on those of foreigners as would maintain a useful competition.

He ought to annul, for substances of such prime necessity as coals, all the tonnage duties; to dig canals, to facilitate the transportation; to disburden them of all domestic duties; and have them furnished to the work-shops at a reasonable price. Coal mines are not wanting in France. They are even so distributed as to supply the wants of each local situation; but the communications are difficult; the transportation is too expensive. Hence the use of them is limited, and the prices of our manufactures are consequently enhanced.

It is not long since we were tributary to foreigners for the soda, the alum, and the copperas, which form the raw materials of some of our most important arts. Chemistry has bestowed them on France—and we have not only imposed duties on the importation of those articles, to encourage and extend the manufacture of them, but we have freed from duty the salt which is employed in the production of soda. If we were at present to diminish or annul the duties on the rival articles, and to revive the duty on salt, we should not only violate the solemn agreement, in virtue of which the manufacturers invested their capital in these undertakings, but, besides betraying the confidence they reposed in the acts of the government, we should at once lose some of the most valuable benefits conferred on us by the industry of our countrymen.

We have already treated of iron, which is indubitably a raw material in the most rigorous construction of the term; as it is impossible for us to employ it in the form in which it is imported. We have stated the consequences that a free introduction of this metal would produce, and shall not again touch on that point. We shall simply observe, that while fuel is so much dearer in France than in the North and in England, our iron can only maintain a competition with that of foreigners through the means of duties to countervail the difference of price.

It appears clearly, from the examples I have cited, that without materially affecting the national industry and wealth, we cannot admit indiscriminately every species of raw material duty free.

III. A principle, not more firmly founded than the preceding, has obtained some weight from the character of those by whom it has been promulged; they assert that a fabric* which cannot withstand competition, when supported by a duty of 15 per cent. laid upon the import, does not merit the protection of the government.

We may remark, by the way, that any manufacture returns a productive capital, and enriches the nation by a workmanship more or less coosiderable; and that in this double view, it might be more useful than the receipt of 15 to 20 per cent. which is made on the frontier, on articles of the same nature: but let us examine the q-iestinn in another point of view.

All the arts have their infancy, and have reached only by degrees that state of perfection in which they are at present. These improvements have been the result of genius and of those wants, which are ever different among different nations; whence it follows, that the progress of the arts must vary with the causes which influence their development, and that their prosperity cannot be every where equal.

In speaking only of modern times, we have seen many kinds of industry established and flourish in England, which for a long period of years has made all the other nations tributary for its productions: we have used every effort to appropriate the manufacture to ourselves. Weaving by machinery, hardwares, the manufactures of cottons and light woollens, have all at once become the objects of our ambition; but by importing the machinery, by relying on foreign instruction, can it be supposed that we have naturalized those arts, difficult in all their parts? Can it be supposed that we possess those extensive details, that dexterity, that experience, which are the soul of industry? We want only time and attentive practice to acquire all these perfections; cassimers cost the maker himself 25 fr. per ell; and the English offered theirs to the consumer at half the price; cambrics and calicoes, badly made, cost us from 7 to 8 fr. per ell; the English delivered theirs at three.

* By this term we understand those goods which are completely finished, and which pass into immediate consumption.

*Should we then have abandoned these attempts at manufacturing superiority? No: we should persist and carry our own labours to perfection. Such is the course we have pursued, and such is the skill to which we have arrived, that our industry has already excited the jealousy of that nation from which we have derived it.*

Nor in fact will the advantages of industry ever be sudden; its progress, naturally slow, may, it is true, be hastened by science; but there are difficulties only to be overcome by long experience.

*If during the twelve or fourteen years, that our efforts, our discoveries, our gradual improvements have been going on, the competition of foreign articles had not been prevented by prohibitions; where then, I would ask of the advocates of the* 15 *per cent where then would be that delightful industry which is now at once the ornament, the glory and wealth of France.*

*I would say more: at this day, when every species of industry is in a flourishing condition, at this day, when we have nothing to desire with regard to the price or quality of the articles, a duty of* 15 *per cent. which would open the door to foreign competition, would shake to its foundations every establishment in France. Our store-houses would in a few days be filled with imported merchandise; it would be offered at any price, in order to stifle our industry; our manufactories would be forced to remain idle, since the proprietors could not make the same sacrifices as the foreigners, and we should behold again the scene that followed the commercial treaty of* 1789—*although it was founded on the basis of the* 15 *per cent.**

* This paragraph is of the most admonitory character, and is entitled to great attention. It is a theory which our experience, and that of all other nations, which have tried the experiment, has conclusively verified. The impoverishment and desolation of Russia, in 1820 and 1821, in consequence of repealing prohibitions and reducing duties—of Holland by the reduction of her duties in 1816—and the calamitous scenes exhibited in this country, in 1817, '18, and '19, in consequence of the extravagant importations of 1815, and '16, all prove the sagacity of Chaptal in the ground here taken, and the soundness of his doctrines. AMERICAN EDITOR.

It is futile to observe that this would be but a momentary evil, since the foreign manufacturer would eventually sustain the loss; for is it nothing to allow foreigners to enjoy our consumption for one or two years? to reduce the market price of an article below its actual cost? *to convert our work-shops into deserts? to destroy the honour and the fortune of worthy artisans? and to inspire for the future, apprehension and distrust?*

The government which imposes a duty on the importation of foreign articles, can have only two objects in view—the first, to place the national industry in a situation to contend in point of price with that of foreign nations:—the second, not to allow to a few manufacturers such a monopoly as would be an injury to the consumer. This last point is gained from the moment that we carry into practice an adequate knowledge of the subject: and besides, it is without consideration that an idea is entertained, that after the suppression of corporations, it would be possible to establish a monopoly in manufactures: *the course is open to all the world, and when any branch of industry prospers, the competitors become immediately so numerous, that the price of the article is speedily fixed at its proper value.* Notwithstanding the prohibition of foreign cotton goods, those of our own manufacture are delivered at so low a price, that the maker is enabled to carry on his business only by trifling profits accumulated on immense sales. *When potash was first made by the decomposition of sea salt, it was sold at 100 fr. per quintal; competition reduced it to 9 fr. although it was protected by a duty of 5 fr. on all foreign potash.* The price will always *be fixed by the competition, and the manufacture regulated by the demand.* On these two principles the government may always with safety rely.

The regulation of imposts should then be comprehended in this single point, the establishment of such duties as shall enable the national industry of France fairly to contend with that of other nations. It should operate on the same principle, whatever be the nature of the article on which the duty is imposed. In relying on the futile division of articles into *raw materials*

*and manufactured articles*, it will tend continually to expose the fate both of the agricultural and manufacturing industry.

To establish the duties in such a manner as not to injure any of the interests of the community, the statesman should be acquainted with the situation both of the agriculture and manufactures of his country, and compare it with that of others in similar productions. He should know what may be the difference in the comparative cost of the manufacture among the various nations who may be called in competition with his own; he should weigh in his wisdom the advantages which may arise from the antiquity of an establishment, the disposition of a large capital, the ease of procuring specie at a low interest, those public or private sacrifices which would afford an outlet for merchandise; the national spirit which rejects or admits from preference the productions of other nations; these considerations and many others should enter into his calculations, lest he injure, irreparably injure, the industry of his country.

But the establishment of imposts on the best principles is not alone sufficient; it is still necessary that their execution should be enforced on the frontiers, and their collection rendered easy and regular; but here difficulties of a new kind present themselves.

The duties must be established on the weight, the measure, or the value of the article imported or exported. Whatever mode therefore we adopt, it is impossible to avoid, in the application of the law, the commission of some errors, and these errors are always injurious to the industry of the people and the revenue. So different, for instance, are the qualities of tissues, that they vary in value from 1 or 2 to 105 fr. per ell: how then can the collectors of the duties distinguish all the shades minutely marked on so extensive a scale, with regard either to the measure or to the value?

Under the impossibility of applying to each article a duty proportioned to its value, they are obliged to be divided into classes, and a particular tariff established for each class; but is the difference between these classes so striking that they cannot be confounded? and are they separated by limits so strongly mark-

ed that the skill of the maker may not pass under an inferior denomination the goods which are subject to the tariff? Besides, every class is composed of many different qualities as regards their value, and by including these under the same rate of duty, two unfortunate results must follow; the first, that of imposing on the consumer, greatly to his detriment, an inferior article as equal to a superior one; the second, of giving greater encouragement to the introduction of fine than coarse tissues. And farther, when the importer makes his declaration of the value of his merchandise, what means are afforded to the officer of the government to discover its truth? would it be by confiscating it at his own risk and peril, provided he gives the third of the price added to that of the invoice? but this method is improper, and it proves besides that they may err with impunity at least from 15 to 20 per cent. in the application of the law.

The collection established on the measure or the value of the article will not therefore be a sufficient security for the protection of industry, and it now only remains for us to examine whether that which is founded on the weight of the articles, is not liable to similar inconvenience.

In establishing the duty according to the weight of the goods, the finest tissues, which luxury alone can require, must of necessity pay little in comparison with those coarser ones which are destined to supply the wants of the largest class of society; while the workmanship is scarcely any thing in the latter, and is done at almost nothing in comparison with the total value of the former; such a system, therefore, is repugnant to the interests of the larger part of the community, and contrary to all sound principles.

We should take a middle course between all these difficulties, and I think that by combining the various methods which the value, weight, and measure present, the proper rate of duty might be least erroneously established.

The duty on the weight has already been established on the greater number of imported articles, such as colonial produce, iron, metallic preparations, chemical salts, &c. and we need

only endeavour to apply to tissues the combined method which I propose.

Suppose that we wish to establish a duty on tissues—let us take a measure of each of those two stuffs which form the extremes of goods manufactured from the same material, and strictly determine their weight when of the same length and breadth; now we may consider the weight as a mean by which to fix the duty: this done, let us establish a scale which embraces all the qualities, and take care to raise the duties on fine goods, in a manner proportioned to the workmanship; thus supposing the same kind of stuff to present ten different qualities, and that the middling is taxed at 1 fr., the finer would pay 20 and 25 fr., and the coarser only 5.

They might then establish the duties on this basis, and confine themselves simply to determining the medium weights of the various qualities of the tissues of the same kind, under a comparative length and breadth; they might settle the tariff on this medium, and increase or diminish it, as the qualities might be superior or inferior. Thus, if a species either of cotton or woollen cloth should present five different qualities as regards either the weight or the value, by fixing the medium duty at 5 fr. it might be lowered for the coarser cloths, or increased for the finer ones, taking care to reach the workmanship in proportion to the value and fineness of the goods.

It would require but little practice to distinguish the different qualities of tissues of the same kind; and the officer, when he had once determined the quality, need only find its weight in order to ascertain its proper duty.

I think it should be further observed, that by dividing into classes the different articles manufactured from wool, flax, cotton, &c. and establishing duties on each class, the tariff is imperfect, since it cannot be applied and varied according to qualities which the same kind of cloth presents, and therefore that the protection of industry is unequal; the method is farther a bad one, in that it comprehends, under the same duty, goods which, though of the same species, differ greatly in value and in the cost of workmanship. To prove this, it is sufficient to

apply it to cloth; in considering which, according to these principles, we may divide it into three classes: 1. fine cloth; 2. fine and light cloth; 3. coarser cloth. Under the first may be ranked, broad cloths, high napped cloths, Dutch ratteens, &c. The second contains cassimeres, royal cloths, silesias, fine ratteens, camlets, flannels, satin serges, prunella, and turquois, &c. The third comprehends swanskins, sagathies, hose, lining serge, kalmucks, and coarse cloths. &c. How then is it possible to distinguish and place in the divisions to which they properly belong, these different qualities, so numerous, indeed, that their value gradually increases from 5 tu 100 fr.? Admitting, however, this to be possible, do not the qualities of each class vary to infinity? all those cloths whose value does not exceed 30 fr. per ell, must be included under the coarse stuffs; those which do exceed that price, must be classed among the fine ones; thus kalmucks are rated at the same duty with the finest Elbeuf cloths; and all those above 30 fr. must pay the same as Spanish vigones and Italian silks; this method, besides, labours under the great inconvenience of compromising the interests of the people by taxing at an equal rate those coarse articles which they continually need, and those whose commercial value is three er four times as great.

What we have said of cloths, will apply with equal force to cottons, linens, and silks; and I can perceive no other way to establish a just tariff of customs, than by classing them according to the principles I have laid down.

When the government, pressed by necessity, believes itself obliged to impose duties on the importation of a material which nourishes some species of industry, *it should return the duty on the exportation of the manufactured article;* without this, all competition in a foreign market is impossible. This allowance should be made without any other forms than those which are necessary to determine the quantity of the material used in the manufacture of the article to be exported, when that material is not the produce of our own soil; in the contrary case, certainty of importation should suffice; but the government should do still more; it should increase the tariff on articles manufactured abroad, to the extent of the duty established on

the raw material, and afford an opportunity for competition in the interior.

A system of duties, established on good principles, should be firm, and if we may use the expression, immutable. Nothing more easily deranges fortune, or destroys confidence, than frequent changes on this point; a diminution of duties on an article ruins him who is overstoeked with it, and enrieh es him who is without it; an increase produces the opposite effect on the same persons. A changeable system disconcerts the best formed plans, and overthrows every speculation; an impost, trifling in appearance, laid on the importation of a material, may destroy the most important manufactures; and government runs the risk of saerifieing a national interest of millions of franes for the receipt of a few thousand.

When a speeies of industry is estahlished on a well known system, he who enters upon it engages his fortune and his labour on the faith that system has afforded him; and this system eannot be changed to his injury but by breach of faith, and the abuse of the right of force.

When a government grants eertain privileges to ereate or import a new system of industry, it cannot withdraw them until the necessities of that industry shall no longer need their continuance. It has bound itself to the manufaeturer by a solemn compaet; it has itself fixed, if we may so say, the employment of his fortune, of his time, of his labour; and by produeing his ruin, it must violate all the laws of justice and humanity.

Whatsoever may be the kind of manufacturing industry established in the interior, the government should support it; from the moment it exists, it is no longer necessary to inquire, if it was proper to introduee it; if other kinds of labour have not been lost; if the manufacture of wool instead of cotton, for instanee, would not have been better; it is enough that it exists. The government should consider the fortune embarked in these establishments, the habits of labour become peculiar to one part of the population, and that they are no more permitted to sacrifice the fortune of the manufacturer, than to take from the labourer all his means of existenee.

THE END.